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Title : Need to allot Iron Ore Deposits in State of Chhattisgarh or Orissa for the use of Vishakhapatnam Steel Plants, Andhra Pradesh.

SHRI KINJARAPU YERRANNAIDU (SRIKAKULAM): One of the main inputs (raw material) to produce Steel is Iron Ore and another is Coal. Due to lack of Iron Ore deposits in Andhra Pradesh our Visakhapatnam Steel Plant is purchasing Iron Ore of 6.5 million tonnes per year from NMDC and purchasing Coal of 5.0 million tonnes from Australia. Till date Visakhapatnam Steel Plant has no single Iron Ore and Coal captive mine except depending on NMDC. NMDC is supplying Iron Ore at the rate of about 1800 per metric tonnes. NMDC though had an MOU with VSP to supply the whole Deposit No. 5 material to VSP only but till last three months no single tonne of Iron Ore from Deposit No. 5 was supplied to VSP and on the other hand the Iron Ore material of Deposit No. 5 has been supplied to Private Industries like SR Gujarat, Nippon Denso Ispat and Raipur Alloys. and some material is being exported amounting to breach of contract/understanding. Almost all the Steel Plants in India have their own captive mines of Iron Ore and Coal, whereas only for VSP no such captive mines are provide as yet.

I, request the Union Government to allot Iron Ore Deposits available in Chhattisgarh or Orissa for the Vishakhapatnam Steel Plant in Andhra Pradesh.